

**MINUTES  
STATE BOND COMMITTEE  
January 13, 2005**

A meeting of the State Bond Committee was held at 11:00 a.m. on January 13, 2005 at the Department of Revenue, Commissioner's Conference Room, Juneau, Alaska.

State Bond Committee Members present were:

Greg Winegar, Director of Division of Investments, Department of  
Commerce, Community & Economic Development  
Kevin Brooks, Deputy Commissioner, Department of Administration  
Tom Boutin, Deputy Commissioner, Department of Revenue

Present telephonically were:

Chester Johnson, Chairman, Government Finance Associates  
Freda Johnson, President, Government Finance Associates  
Stan Stone, Government Finance Associates  
Cynthia Weed, Partner, Preston Gates & Ellis

Also present in Juneau were:

Deven Mitchell, Debt Manager, Department of Revenue

**I. Call to Order**

Mr. Winegar called the meeting to order at 11:05 a.m. AST.

**II. Roll Call**

Mr. Mitchell took roll call. Mr. Brooks, Mr. Boutin and Mr. Winegar were present.

**III. Public Meeting Notice**

A copy of the Advertising Order and Affidavit of Publication concerning the date, location, and purpose of the meeting were reviewed and made a part of the minutes of the meeting. Mr. Mitchell stated the meeting notice was advertised in the State's Online Public Notice and the Anchorage Daily News.

**IV. Approval of Agenda**

The agenda was adopted without objections.

**V. Minutes of Meeting of October 14, 2004 Committee Meeting**

The minutes were adopted as written.

## **VI. Public Comment**

Mr. Winegar asked for public participation and comment. There was none.

## **VII. New Business**

### *Resolution 2005-01*

The first item of business was Resolution 2005-01, a resolution of the State Bond Committee of the State of Alaska relating to the issuance and sale of up to \$28,000,000 of certificates of participation; delegating to the Debt Manager certain authority to sell such certificates by competitive sale and to approve preliminary and final official statements and accept the best offers for such certificates. Mr. Mitchell provided the Committee with a revised version of the resolution, and the latest draft of the preliminary official statement. He explained that the resolution allows the refunding of up to four series of certificates of participation from the 1997 year and one series from 1998. Cynthia Weed pointed out the resolution itself authorizes the refunding of all of those outstanding certificates of participation, all of the outstanding maturities of each of the four separate series and does provide for a maximum principal amount of up to \$28 million. She explained this will be market sensitive and as we get closer to the date of marketing, then we will decide how many will be refunded. Government Finance talked about the process by which they decide which bonds go in and the adjustments on the date of the sale. Mr. Stan Stone led the group through the analysis with the latest market information. Mr. Boutin moved SBC Resolution 2005-01. Mr. Brooks seconded the motion. Mr. Mitchell called the roll and it passed unanimously.

## **VIII. Debt Manager's Report**

Mr. Mitchell reported on the following items not covered in the January 13, 2005 agenda:

1. Amerada Hess Securitization-Governor's office plan to create a new state entity with State Bond Committee members listed as board members to issue debt which through a long process was determined could be sold using a super sinker structure meaning there would be interest only payments required on the obligation with the ability to pay down principal as revenues allowed. This would provide flexibility to deal with volatile markets. Mr. Mitchell said this has taken much of his time lately trying to come up with ways to get the deal done without impacting the state's credit.
2. Virology Lab – Legislation authorizing \$24 million in Certificates of Participation has been introduced. The new facility would be located at the

University in Fairbanks, and the State Bond Committee would issue the COPs to fund construction.

3. Alaska International Airports System – The Department of Transportation is working on putting together a revenue bond proposal for the AIAS in an amount yet to be determined, but between \$100 and \$200 million in projects.
4. Fish and Game Fund – I'm working with folks from the Department of Fish and Game to develop a possible revenue bond package for the Sportfish portion of the Fish and Game fund. Will continue to work toward a viable structure with the constraints on the state's debt capacity.
5. Possible Refunding of Anchorage Jail – A current analysis of an advance refunding of the Anchorage Jail projects present value savings of over 4.50 percent of the refunded par amount. I plan to work with the Municipality of Anchorage to develop a plan of finance for refunding these bonds.
6. Alaska Public Debt Book will be available next week.

**IX. Committee Members Comments**

There were none.

**X. Scheduling of Next Meeting**

The next meeting will be February 18, 2005 at 9:00 a.m..

**XI. Adjournment**

There being no further business, without objection the meeting was adjourned at 11:36 a.m.

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Edgar Blatchford, Commissioner  
Department of Commerce and Economic  
Development  
Chairman

ATTEST:

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William Corbus, Commissioner  
Department of Revenue  
Secretary